CO3.5 Young people not in education or employment

Definitions and methodology

This indicator presents data on young people that are ‘NEET’, that is, those who are neither in employment nor in education or training. Young people are defined here as those between 15 and 29 years of age, while an individual is classified as ‘NEET’ as long as they were neither enrolled in formal education or a training programme nor in paid employment (for at least one hour per week) during the relevant survey reference period. Data on NEETs are taken from OECD Education at a Glance and from Eurostat Education and Training Statistics for non-OECD EU countries, and are presented using three measures:

i) The NEET rate, which is calculated as the proportion of 15-29 year olds that are classified as NEET

ii) The distribution of NEETs across age groups, with the overall number of NEETs disaggregated by those aged 15-19, 20-24 and 25-29

iii) Gender differences in NEET rates, which disaggregates the overall NEET rate for men and women

An additional measure at the end of this indicator looks at the living arrangements of young people. It shows the proportion of young people that live with adults by status of the young person in education or employment. For this measure, adults are defined as those aged 30 or above (see ‘Comparability and data issues’) while the definitions of ‘young people’ and ‘NEET’ follow those outlined above.

Key findings

Chart CO3.5.A. Proportion of 15-29 year olds not in employment, education or training (NEET), 2005, 2010\(^a\) and 2014\(^b\)

a) Data for Chile refer to 2009
b) Data for Chile, Korea and Brazil refer to 2013
c) The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.
d) Data for Japan are available for the age group 15-24 only

e) Data for Spain refer to 15-29 year olds
f) Footnote by Turkey: The information in this document with reference to « Cyprus » relates to the southern part of the Island. There is no single authority representing both Turkish and Greek Cypriot people on the Island. Turkey recognizes the Turkish Republic of Northern Cyprus (TRNC). Until a lasting and equitable solution is found within the context of United Nations, Turkey shall preserve its position concerning the “Cyprus issue”;
g) Footnote by all the European Union Member States of the OECD and the European Commission: The Republic of Cyprus is recognized by all members of the United Nations with the exception of Turkey. The information in this document relates to the area under the effective control of the Government of the Republic of Cyprus.
h) OECD average excludes Chile, Japan and Korea

Source: OECD Education at a Glance
For Bulgaria, Croatia, Cyprus, Latvia, Lithuania, Malta and Romania: Eurostat Education and Training Statistics

Other relevant indicators: Public spending on education (PF1.2); Educational attainment by gender and expected years in full-time education (CO3.1); Gender differences in university graduates by fields of study (CO3.2); and, Literacy scores by gender at age 15 (CO3.4).
NEET rates vary considerably across the OECD (Chart CO3.5.A). While the OECD average NEET rate stands at just over 15%, the proportion of people aged 15-29 neither in employment nor in education or training ranges from as high as 31.6% in Turkey to as low as 8.2% in Luxembourg. The highest NEET rates are generally found in Southern European countries such as Greece, Italy and Spain, plus also in Turkey. In all these countries, at least one-in-four young people are NEET. The lowest rates, meanwhile, are generally found in a mixture of Northern and Central European countries.

In all OECD countries, the majority of NEETs are in their 20s (Chart CO3.5.B). The most important group in many countries is 25-29 year olds – in fact, in five OECD countries (the Czech Republic, Germany, Luxembourg, the Slovak Republic and Slovenia) over 50% of NEETs are between 25 and 29 years of age. In contrast, on average only 15.8% of NEETs are in their teens, with the 15-19 year old share of NEETs below 10% in two OECD countries (the Czech Republic and Poland). In large part, the small teenage share of NEETs reflects the expansion of upper secondary education in most OECD countries (OECD Education at a Glance 2014: 365). Yet, the risks associated with younger NEETs should not be downplayed – teenage NEETs often lack qualifications and relevant employment experience and tend to remain NEET for a relatively long period of time (Carcillo et al, 2015).

Chart CO3.5.B. Distribution of NEETs across age groups, 2014a
Share of 15-29 year olds that are not in employment, education or training (NEET) by 5-year age groups

NEETs are also more likely to be female than male (CO 3.5.C). In almost all OECD countries, NEET rates are higher for women than for men – indeed, the OECD average NEET rate for young women is 4.6 percentage points higher than the rate for young men. Only in Iceland, Luxembourg, Portugal and Spain are young men more likely to be NEET than young women. Gender gaps in NEET rates are largest in Chile, Mexico and Turkey, where female NEET rates are two-to-four times higher than male NEET rates. However, gender differences remain considerable in a number of countries. Particularly notable are the gender gaps seen in countries such as New Zealand and the Czech Republic, where overall NEET rates are lower than average but rates for young women are around or above twice the rate as for young men.
In almost all OECD countries, young people who are NEET are more likely than employed young people to be living with adults aged over 30 (Chart CO3.5.D). In some countries the difference in the proportion that live with adults is only small – in several Eastern and Southern European countries, for instance, well over three quarters of young people live with an adult regardless of their own labour market status. However, in other countries – particularly Northern European countries such as Finland, Sweden, the Netherlands and especially France – the proportion of NEETs that live with adults is 20-30 percentage points higher than the equivalent proportion of employed young people. In other words, in these countries being NEET appears to act as a considerable obstacle to the independence of young people.
which refers to a youth living alone with a child; and ‘multiple youth’, which describes a household that consists of two or more individuals aged 16-29 years without adults but possibly with children.

Sources: OECD calculations based on EU-SILC (European countries), HILDA (Australia), SLID (Canada), CASEN (Chile), ENIGH (Mexico) and the CPS (United States).

**Comparability and data issues**

Cross-country comparisons of NEET rates are hampered somewhat by institutional differences. For instance, the length of educational programmes differs between countries, which affects age at graduation from secondary and tertiary levels of education. NEET rates tend to be higher in countries where average graduation ages are lower, at least in part because a smaller proportion of young people are enrolled in education.

Additionally, some OECD countries – including Austria, Denmark, Finland, Germany, Greece, Israel, Korea, Mexico, Norway, Poland, Sweden, Switzerland and Turkey – oblige young men (and some cases, young women) to enter military (or national) service. In some countries, labour force statistics only consider the civilian population so any young persons on military service would not be included in the NEET figures. In others, military personnel living at home are considered part of the labour force but conscripts living in barracks are not, while in certain countries even conscripts are counted as part of the labour force. It is possible that the presence of national service may influence cross-national variations in the proportion of young people neither in education nor employment, although the figures shown above suggest there is no systematic difference in NEET rates between countries with or without national service.

Finally, in Chart CO3.5.D the term ‘living with adults’ refers to youth living in a household where at least one household member is aged 30 or older. Individuals counted as adults might be parents or grandparents, but could also be older siblings, partners or housemates.